## CAWELO WATER DISTRICT

> David R. Ansolabehere General Manager

November 6, 2006

California Regional Water Quality Control Board 1685 "E" Street Fresno, CA 93706

Attn: Mr. W. Dale Harvey, Senior WRC Engineer

Re: Tentative Water Discharge Requirements (WDRs) for Valley Waste Disposal

Company and Cawelo Water District

California Environmental Quality Act (CEQA) Requirements

Dear Mr. Harvey:

With reference to the CEQA requirements for the subject WDRs for Valley Waste Disposal Company (VWDC) and Cawelo Water District (CWD), Finding No. 59 accurately states:

"The action to adopt an NPDES permit is exempt from the provisions of Chapter 3 of the California Environmental Quality Act (CEQA)(Public Resources Code Section 21000, et seq.), requiring preparation of an environmental impact report or negative declaration in accordance with Section 13389 of the California Water Code."

"The discharge to land is an existing project and thus exempt from CEQA pursuant to Title 14, Chapter 3, CCR, Section 15301 (Existing Facility).

In the Information Sheet, Page 19, CEQA, similar recitals as set forth above were provided as follows:

"The discharge to land as proposed in the Order is an existing one and exempt from CEQA pursuant to Title 14, CCR, Section 15301. Before increases in annual mass loading of salt to the CWD and Poso Groundwater Hydrographic area can be permitted, the cumulative environmental effect of such increases must be evaluated for consistency with CEQA. As the CWD is carrying out the long-term plan for the area and is the recipient of its benefits, it is appropriate that CWD conduct an appropriate environmental review of the collective input of salt from all existing and proposed sources of salt on groundwater beneath CWD."

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The order, F. Provisions 9. states:

"As a prerequisite to consideration of any further increases in the volumes or pollutant concentrations of discharges of oilfield produced water to the CWD, the Discharger must conduct a study to evaluate and quantify the impacts of such discharges on both the general environment and on surface water and groundwater and either demonstrate that the combined effects of such discharges comply with the Basin Plan and satisfy CEQA."

In addition to Article 19, Categorical Exemption, Section 1501, Existing Facilities of CEQA, we submit that Section 21080.5 Plan or Other Written Documentation; submission in lieu of impact report; regulatory programs; criteria; certification; proposed changes; review; commencement of action; state agencies, allows the plan, study or other written documentation, as required by the WDRs, to be submitted in lieu of an environmental impact assessment or report.

We further submit that the Cawelo Water District and ChevronTexaco, Valley Waste Disposal Company, E & B Natural Resources, Proposed Modifications of Waste Discharge Requirements for Discharge in Reservoir "B", Distribution Canal and Poso Creek, Technical Study Update for the California Regional Water Quality Control Board, July 2003, provided the annual mass loading of salt to the CWD and Poso Groundwater Hydrographic area with the inclusion of the proposed increase in electrical conductivity by VWDC, the increased flow by ChevronTexaco and the addition of flow from E&B Natural Resources. Although the VWDC proposed increase of flow from 4.3 mgd to 7.4 mgd (3.1 mgd) was not a part of the 2003 Technical Study, the E&B Natural Resources addition did not occur. With minor modifications of the 2003 Technical Study, the requirements of F. Provisions 8. & 9. of the order may be provided.

Further, it is obvious as set forth in the Information Sheet and Finding 35, the Regional Water Quality Control Board staff does not fully understand the process utilized by CWD in determining the average annual EC of groundwater in the CWD.

In addition to the above observations, we will provide detailed comments on the tentative WDRs prior to 20 November 2006.

In conclusion, we do not believe further action under CEQA is required by VWDC or CWD for implementation of the subject tentative WDRs.

Very truly yours,

R. L. Schafer

RLS/mep

cc: David Ansolabehere, Cawelo Water District
Larry Bright, Valley Waste Disposal Company
Mike Glavin, Vintage Production